



Adopted in House Comm. on May 26, 2004

09300SB2108ham001

LRB093 14116 AMC 51473 a

1 AMENDMENT TO SENATE BILL 2108

2 AMENDMENT NO. _____. Amend Senate Bill 2108 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Public Accounting Act is amended
5 by changing Sections 0.03, 1, 2, 3, 4, 5, 5.1, 6, 7, 8, 9, 9.01,
6 9.02, 9.1. 9.2, 11, 13, 14, 14.1, 14.2, 14.3, 16, 17, 17.1,
7 17.2, 19, 20.01, 20.1, 20.2, 20.3, 20.4, 20.5, 20.6, 21, 26,
8 28, 30, and 32 and by adding Sections 2.05, 6.1, 30.4, 30.5,
9 and 30.6 as follows:

10 (225 ILCS 450/0.03) (from Ch. 111, par. 5500.03)

11 (Section scheduled to be repealed on January 1, 2014)

12 (Text of Section after amendment by P.A. 92-457)

13 Sec. 0.03. Definitions. As used in this Act, unless the
14 context otherwise requires:

15 (a) "Registered Certified Public Accountant" means any
16 person who has been issued a registration under this Act as a
17 Registered Certified Public Accountant ~~certificate as a~~
18 ~~certified public accountant from the Board of Examiners.~~

19 (b) "Licensed Certified Public Accountant" means any
20 person licensed under this Act as a Licensed Certified Public
21 Accountant.

22 (c) "Committee" means the Public Accountant Registration
23 Committee appointed by the Director ~~(Blank)~~.

24 (d) "Department" means the Department of Professional

1 Regulation (Blank).

2 (e) "Director" means the Director of Professional
3 Regulation (Blank).

4 (f) "License", "licensee" and "licensure" refers to the
5 authorization to practice under the provisions of this Act.

6 (g) "Peer review program" means a study, appraisal, or
7 review of one or more aspects of the professional work of a
8 person or firm certified or licensed under this Act, including
9 quality review, peer review, practice monitoring, quality
10 assurance, and similar programs undertaken voluntarily ~~or in~~
11 ~~response to membership requirements in a professional~~
12 ~~organization,~~ or as a prerequisite to the providing of
13 professional services under government requirements, or any
14 similar internal review or inspection that is required by
15 professional standards.

16 (h) "Review committee" means any person or persons
17 conducting, reviewing, administering, or supervising a peer
18 review program.

19 (i) "University" means the University of Illinois.

20 (j) "Board" means the Board of Examiners established under
21 Section 2.

22 (k) "Registration", "registrant", and "registered" refer
23 to the authorization to hold oneself out as or use the title
24 "Registered Certified Public Accountant" or "Certified Public
25 Accountant", unless the context otherwise requires.

26 (Source: P.A. 92-457, eff. 7-1-04.)

27 (225 ILCS 450/1) (from Ch. 111, par. 5501)

28 (Section scheduled to be repealed on January 1, 2014)

29 (Text of Section after amendment by P.A. 92-457)

30 Sec. 1. ~~No Any person, eighteen years of age or older, who~~
31 ~~has received from the Board a certificate of his qualifications~~
32 ~~as hereinafter provided, shall be styled and known as a~~
33 ~~"Certified Public Accountant," and no other person shall hold~~

1 himself or herself out to the public in any manner by using the
2 ~~assume such~~ title "Certified Public Accountant" or use the
3 abbreviation "C.P.A." or "CPA" or any words or letters to
4 indicate that the person using the same is a certified public
5 accountant, unless he or she has been issued a license or
6 registration by the Department under this Act.

7 (Source: P.A. 92-457, eff. 7-1-04.)

8 (225 ILCS 450/2) (from Ch. 111, par. 5502)

9 (Section scheduled to be repealed on January 1, 2014)

10 (Text of Section after amendment by P.A. 92-457)

11 Sec. 2. Board of Examiners ~~Examinations~~. The Governor shall
12 appoint a Board of Examiners that shall determine the
13 qualifications of persons applying for certificates and shall
14 make rules for and conduct examinations for determining the
15 qualifications. The Board shall consist of ~~not less than 9~~
16 ~~nor more than~~ 11 examiners, ~~as determined by Board rule,~~
17 including 2 public members. The remainder shall be certified
18 public accountants in this State who have been residents of
19 this State for at least 5 years immediately preceding their
20 appointment, except that one shall be either a certified public
21 accountant of the grade herein described or an attorney
22 licensed and residing in this State and one shall be a
23 certified public accountant who is an active or retired
24 educator residing in this State. The term of office of each
25 examiner shall be 3 years, except that upon the enactment of
26 this amendatory Act of the 93rd ~~92nd~~ General Assembly, those
27 members currently serving on the Board shall continue to serve
28 the duration of their terms, one additional examiner shall be
29 appointed for a term of one year, and one additional examiner
30 for a term of 2 years, ~~and any additional examiners for terms~~
31 ~~of 3 years~~. As the term of each examiner expires, the
32 appointment shall be filled for a term of 3 years from the date
33 of expiration. Any Board member who has served as a member for

1 6 consecutive years shall not be eligible for reappointment
2 until 2 years after the end of the term in which the sixth
3 consecutive year of service occurred, except that members of
4 the Board serving on the effective date of this Section shall
5 be eligible for appointment to one additional 3-year term.
6 Where the expiration of any member's term shall result in less
7 than 11 members then serving on the Board, the member shall
8 continue to serve until his or her successor is appointed and
9 has qualified. No Board member shall serve more than 2 full
10 terms. Anyone appointed to the Board shall be ineligible to be
11 appointed to the Illinois Public Accountants Registration
12 Committee appointed by the Director. Appointments to fill
13 vacancies shall be made in the same manner as original
14 appointments for the unexpired portion of the vacated term. The
15 membership of the Board shall reasonably reflect
16 representation from the geographic areas in this State. The
17 members of the Board appointed by the Governor shall receive
18 reasonable compensation for their necessary, legitimate, and
19 authorized expenses in accordance with the Governor's Travel
20 Control Board rules and the Travel Regulation Rules. The
21 Governor may terminate the term of any member of the Board at
22 any time for cause.

23 Information regarding educational requirements, the
24 application process, the examination, and fees shall be
25 available on the Board's Internet web site as well as in
26 printed documents available from the Board's office.

27 ~~The examination shall test the applicant's knowledge of~~
28 ~~accounting, auditing, and other related subjects, if any, as~~
29 ~~the Board may deem advisable. Prior to implementation of a~~
30 ~~computer-based examination, a candidate must be examined in all~~
31 ~~subjects except that a candidate who has passed in 2 or more~~
32 ~~subjects and who attained a minimum grade in each subject~~
33 ~~failed as may be established by Board regulations shall have~~
34 ~~the right to be re-examined in the remaining subjects at one or~~

1 ~~more of the next 6 succeeding examinations. Upon implementation~~
2 ~~of a computer-based examination, a candidate shall be required~~
3 ~~to pass all sections of the examination in order to qualify for~~
4 ~~a certificate. A candidate may take the required test sections~~
5 ~~individually and in any order, as long as the examination is~~
6 ~~taken within a timeframe established by Board rule.~~

7 ~~The Board may in certain cases waive or defer any of the~~
8 ~~requirements of this Section regarding the circumstances in~~
9 ~~which the various Sections of the examination must be passed~~
10 ~~upon a showing that, by reasons of circumstances beyond the~~
11 ~~applicant's control, the applicant was unable to meet the~~
12 ~~requirement.~~

13 ~~Applicants may also be required to pass an examination on~~
14 ~~the rules of professional conduct, as determined by Board rule~~
15 ~~to be appropriate.~~

16 ~~The examinations shall be given at least twice a year.~~

17 ~~Any application, document or other information filed by or~~
18 ~~concerning an applicant and any examination grades of an~~
19 ~~applicant shall be deemed confidential and shall not be~~
20 ~~disclosed to anyone without the prior written permission of the~~
21 ~~applicant, except that it is hereby deemed in the public~~
22 ~~interest that the names and addresses only of all applicants~~
23 ~~shall be a public record and be released as public information.~~
24 ~~Nothing herein shall prevent the Board from making public~~
25 ~~announcement of the names of persons receiving certificates~~
26 ~~under this Act.~~

27 The Board shall adopt all necessary and reasonable rules
28 and regulations for the effective administration of this Act.
29 Without limiting the foregoing, the Board shall adopt and
30 prescribe rules and regulations for a fair ~~and wholly~~ and
31 impartial method of determining the qualifications of
32 applicants for examination and for a fair ~~and wholly~~ and
33 impartial method of examination of persons under Section 2 and
34 may establish rules for subjects conditioned and for the

1 transfer of credits from other jurisdictions with respect to
2 subjects passed.

3 The Board shall make an annual report of its activities to
4 the Governor and the Director. This report shall include a
5 complete operating and financial statement covering its
6 operations during the year, the number of examinations given,
7 the pass/fail ratio for examinations, and any other information
8 deemed appropriate. The Board shall have an audit of its books
9 and accounts every 2 years by the Auditor General.

10 (Source: P.A. 92-457, eff. 7-1-04; 93-629, eff. 12-23-03.)

11 (225 ILCS 450/2.05 new)

12 (Section scheduled to be repealed on January 1, 2014)

13 Sec. 2.05. Public Accountant Registration Committee. The
14 Director shall appoint a Public Accountant Registration
15 Committee consisting of 7 persons, who shall be appointed by
16 and shall serve in an advisory capacity to the Director. Six
17 members must be licensed public accountants or Licensed
18 Certified Public Accountants in good standing and must be
19 actively engaged in the practice of public accounting in this
20 State and one member must be a member of the public who is not
21 licensed under this Act or a similar Act of another
22 jurisdiction and who has no connection with the accounting or
23 public accounting profession. Members shall serve 4-year terms
24 and until their successors are appointed and qualified. No
25 member shall be reappointed to the Committee for more than 2
26 terms. Appointments to fill vacancies shall be made in the same
27 manner as original appointments for the unexpired portion of
28 the vacated term. The membership of the Committee shall
29 reasonably reflect representation from the geographic areas in
30 this State. The members of the Committee appointed by the
31 Director shall receive reasonable compensation, as determined
32 by the Department, for the necessary, legitimate, and
33 authorized expenses approved by the Department. All expenses

1 shall be paid from the Registered Certified Public Accountants'
2 Administration and Disciplinary Fund. The Director may
3 terminate the appointment of any member for cause. The Director
4 shall consider the advice and recommendations of the Committee
5 on questions involving standards of professional conduct,
6 discipline, and qualifications of candidates and licensees
7 under this Act.

8 (225 ILCS 450/3) (from Ch. 111, par. 5504)

9 (Section scheduled to be repealed on January 1, 2014)

10 (Text of Section after amendment by P.A. 92-457)

11 Sec. 3. Qualifications of applicants. To be admitted to
12 take the examination after the year 2000, for the purpose of
13 determining the qualifications of applicants for certificates
14 as certified public accountants under this Act, the applicants
15 shall be required to present proof of the successful completion
16 of 150 college or university semester hours of study or their
17 quarter-hour or other academic credit unit equivalent, to
18 include a baccalaureate or higher degree conferred by a college
19 or university acceptable to the Board ~~of Examiners~~, the total
20 educational program to include an accounting concentration or
21 equivalent as determined by Board rule ~~Board rules to be~~
22 ~~appropriate~~. In adopting those rules, the Board shall consider,
23 among other things, any impediments to the interstate practice
24 of public accounting that may result from differences in the
25 requirements in other states.

26 Candidates who have taken the examination at least once
27 before January 1, 2001, may take the examination under the
28 qualifications in effect when they first took the examination.

29 (Source: P.A. 92-457, eff. 7-1-04.)

30 (225 ILCS 450/4) (from Ch. 111, par. 5505)

31 (Section scheduled to be repealed on January 1, 2014)

32 Sec. 4. Transitional language.

1 (a) The provisions of this Act shall not be construed to
2 invalidate any certificates as certified public accountants
3 issued by the University under "An Act to regulate the
4 profession of public accountants", approved May 15, 1903, as
5 amended, or any certificates as Certified Public Accountants
6 issued by the University or the Board under Section 4 of "An
7 Act to regulate the practice of public accounting and to repeal
8 certain acts therein named", approved July 22, 1943, as
9 amended, which certificates shall be valid and in force as
10 though issued under the provisions of this Act.

11 (b) Before July 1, 2010, persons who have received a
12 Certified Public Accountant (CPA) Certificate issued by the
13 Board of Examiners or holding similar certifications from other
14 jurisdictions with equivalent educational requirements and
15 examination standards may apply to the Department on forms
16 supplied by the Department for and may be granted a
17 registration as a Registered Certified Public Accountant from
18 the Department upon payment of the required fee.

19 (c) Beginning with the 2006 renewal, the Department shall
20 cease to issue a license as a Public Accountant. Any person
21 holding a valid license as a Public Accountant prior to
22 September 30, 2006 who meets the conditions for renewal of a
23 license under this Act, shall be issued a license as a Licensed
24 Certified Public Accountant under this Act and shall be subject
25 to continued regulation by the Department under this Act. The
26 Department may adopt rules to implement this Section.

27 (d) The Department shall not issue any new registrations as
28 a Registered Certified Public Accountant after July 1, 2010.
29 After that date, any applicant for licensure under this Act
30 shall apply for a license as a Licensed Certified Public
31 Accountant and shall meet the requirements set forth in this
32 Act. Any person issued a Certified Public Accountant
33 certificate who has been issued a registration as a Registered
34 Certified Public Accountant may renew the registration under

1 the provisions of this Act and that person may continue to
2 renew or restore the registration during his or her lifetime,
3 subject only to the renewal or restoration requirements for the
4 registration under this Act. Such registration shall be subject
5 to the disciplinary provisions of this Act.

6 (e) On and after October 1, 2006, no person shall hold
7 himself or herself out to the public in any manner by using the
8 title "certified public accountant" or use the abbreviation
9 "C.P.A." or "CPA" or any words or letters to indicate that the
10 person using the same is a certified public accountant unless
11 he or she maintains a current registration or license issued by
12 the Department. It shall be a violation of this Act for an
13 individual to assume or use the title "certified public
14 accountant" or use the abbreviation "C.P.A." or "CPA" or any
15 words or letters to indicate that the person using the same is
16 a certified public accountant unless he or she maintains a
17 current registration or license issued by the Department.

18 (Source: P.A. 83-291.)

19 (225 ILCS 450/5) (from Ch. 111, par. 5506)

20 (Section scheduled to be repealed on January 1, 2014)

21 Sec. 5. Certification of out-of-State accountants.

22 (a) Upon review of an applicant's educational and
23 examination credentials by the Board of Examiners, the
24 Department ~~The Board~~ may issue a registration certificate as a
25 registered certified public accountant, without examination,
26 to any applicant who holds a valid unrevoked certificate as a
27 certified public accountant issued under the laws of any other
28 state or territory of the United States or the District of
29 Columbia, provided:

30 (1) that the state that issued the certificate has
31 certification requirements that have been determined by
32 the Board to be substantially equivalent to the
33 certification requirements of Illinois and grants similar

1 rights to those that Illinois grants to certificate
2 holders;

3 (2) that the state that issued the certificate has
4 certification requirements that the Board has determined
5 not to be substantially equivalent to the certification
6 requirements of Illinois or does not grant similar rights
7 to Illinois certificate holders, but the Board determines
8 that the individual applicant possesses personal
9 qualifications substantially equivalent to Illinois'
10 certification requirements; or

11 (3) that the applicant does not qualify under
12 subsections (1) or (2) above, but the following conditions
13 are met:

14 (A) the certificate was granted to the applicant on
15 the basis of the Uniform Certified Public Accountant
16 examination; and

17 (B) the educational qualifications of the
18 applicant for a certificate, at the time of the written
19 examination, were equivalent to the educational
20 qualifications then required of applicants for
21 admission to the Illinois examination for certified
22 public accountant or, the applicant has, after passing
23 the examination upon which his or her certificate was
24 based, not less than 5 years of experience in the
25 practice of public accounting within the 10 years
26 immediately preceding this application, otherwise
27 reasonably considered acceptable by the Board.

28 (b) In determining the substantial equivalency of the
29 requirements for certification or the rights granted to
30 certificate holders pursuant to this Section, the Department
31 ~~Board~~ may rely on the determinations of the National
32 Qualification Appraisal Service of the National Association of
33 State Boards of Accountancy or any other qualification
34 appraisal service, as it deems appropriate.

1 (Source: P.A. 91-508, eff. 8-13-99; 91-779, eff. 6-9-00.)

2 (225 ILCS 450/5.1)

3 (Section scheduled to be repealed on January 1, 2014)

4 Sec. 5.1. Foreign accountants. The Board shall issue a
5 certificate to a holder of a foreign designation, granted in a
6 foreign country entitling the holder thereof to engage in the
7 practice of public accounting, provided:

8 (a) The foreign authority that granted the designation
9 makes similar provision to allow a person who holds a valid
10 certificate issued by this State to obtain the foreign
11 authority's comparable designation; and

12 (b) The foreign designation (i) was duly issued by a
13 foreign authority that regulates the practice of public
14 accounting and the foreign designation has not expired or
15 been revoked or suspended; and (ii) was issued upon the
16 basis of educational and examination requirements
17 established by the foreign authority or by law; and

18 (c) The applicant (i) received the designation based on
19 educational and examination standards substantially
20 equivalent to those in effect in this State at the time the
21 foreign designation was granted; and (ii) passed a uniform
22 qualifying examination in national standards and an
23 examination on the laws, regulations, and code of ethical
24 conduct in effect in this State acceptable to the Board.

25 ~~The Board shall be the sole and final judge of the~~
26 ~~qualifications of applicants under this Section.~~

27 (Source: P.A. 88-36.)

28 (225 ILCS 450/6) (from Ch. 111, par. 5507)

29 (Section scheduled to be repealed on January 1, 2014)

30 (Text of Section after amendment by P.A. 92-457)

31 Sec. 6. Fees; pay of examiners; expenses. The Board shall
32 charge a fee in an amount at least sufficient to defray the

1 costs and expenses incident to the examination and issuance of
2 a certificate provided for in Section 6.1 ~~3~~ and for the
3 issuance of a certificate provided for in Section 5. This fee
4 shall be payable by the applicant at the time of filing an
5 application.

6 ~~The Board appointed by the Governor in accordance with the~~
7 ~~provisions of Section 2 shall receive reasonable compensation,~~
8 ~~to be set by Board rule, for the time actually expended in~~
9 ~~pursuance of the duties imposed upon them by this Act, and they~~
10 ~~shall be further entitled to their necessary traveling~~
11 ~~expenses. All expenses provided for by this Act shall be paid~~
12 ~~from the fees received under this Act.~~

13 ~~From the fees collected, the Board shall pay all the~~
14 ~~expenses incident to the examinations, the expenses of issuing~~
15 ~~certificates, the traveling expenses of the examiners, and~~
16 ~~their compensation while performing their duties, and other~~
17 ~~necessary expenses in the administration of this Act.~~

18 (Source: P.A. 92-457, eff. 7-1-04.)

19 (225 ILCS 450/6.1 new)

20 (Section scheduled to be repealed on January 1, 2014)

21 Sec. 6.1. Examinations.

22 (a) The examination shall test the applicant's knowledge of
23 accounting, auditing, and other related subjects, if any, as
24 the Board may deem advisable. A candidate shall be required to
25 pass all sections of the examination in order to qualify for a
26 certificate. A candidate may take the required test sections
27 individually and in any order, as long as the examination is
28 taken within a timeframe established by Board rule.

29 (b) On and after January 1, 2005, applicants shall also be
30 required to pass an examination on the rules of professional
31 conduct, as determined by Board rule to be appropriate, before
32 they may be awarded a certificate as a Certified Public
33 Accountant.

1 (c) The Board may in certain cases waive or defer any of
2 the requirements of this Section regarding the circumstances in
3 which the various Sections of the examination must be passed
4 upon a showing that, by reasons of circumstances beyond the
5 applicant's control, the applicant was unable to meet the
6 requirement.

7 (d) Any application, document, or other information filed
8 by or concerning an applicant and any examination grades of an
9 applicant shall be deemed confidential and shall not be
10 disclosed to anyone without the prior written permission of the
11 applicant, except that the names and addresses only of all
12 applicants shall be a public record and be released as public
13 information. Nothing in this subsection shall prevent the Board
14 from making public announcement of the names of persons
15 receiving certificates under this Act.

16 (225 ILCS 450/7) (from Ch. 111, par. 5508)

17 (Section scheduled to be repealed on January 1, 2014)

18 (Text of Section after amendment by P.A. 92-457)

19 Sec. 7. Licensure. A holder of a certificate or
20 registration as a certified public accountant issued by the
21 Board or Department shall not be entitled to practice public
22 accounting, as defined in Section 8, in this State until the
23 person has been licensed as a licensed certified public
24 accountant by the Department ~~Board~~.

25 The Department ~~Board~~ may refuse to issue or may suspend the
26 license of any person who fails to file a return, or to pay the
27 tax, penalty or interest shown in a filed return, or to pay any
28 final assessment of tax, penalty or interest, as required by
29 any tax Act administered by the Illinois Department of Revenue,
30 until such time as the requirements of any such tax Act are
31 satisfied.

32 (Source: P.A. 92-457, eff. 7-1-04.)

1 (225 ILCS 450/8) (from Ch. 111, par. 5509)

2 (Section scheduled to be repealed on January 1, 2014)

3 (Text of Section after amendment by P.A. 92-457)

4 Sec. 8. Practicing as a licensed public accountant or
5 licensed certified public accountant. Persons, either
6 individually, as members of a partnership or limited liability
7 company, or as officers of a corporation, who sign, affix or
8 associate their names or any trade or assumed names used by
9 them in a profession or business to any report expressing or
10 disclaiming an opinion on a financial statement based on an
11 audit or examination of that statement, or expressing assurance
12 on a financial statement, shall be deemed to be in practice as
13 licensed public accountants or licensed certified public
14 accountants within the meaning and intent of this Act.

15 (Source: P.A. 92-457, eff. 7-1-04.)

16 (225 ILCS 450/9) (from Ch. 111, par. 5510)

17 (Section scheduled to be repealed on January 1, 2014)

18 Sec. 9. No person shall, after the effective date of this
19 amendatory Act of the 93rd General Assembly, begin to practice
20 in this State or hold himself out as being able to practice
21 licensed certified public accounting in this State or hold
22 himself or herself out as being able to practice as a licensed
23 certified public accountant ~~this profession~~, unless he or she
24 is licensed in accordance with the provisions of this Act. Any
25 person who is the holder of a license as a public accountant
26 heretofore issued, under any prior Act licensing or registering
27 public accountants in this State, valid on the effective date
28 of this amendatory Act shall be deemed to be licensed under
29 this Act shall be subject to the same rights and obligations as
30 persons originally licensed under this Act.

31 No person shall, after the effective date of this
32 amendatory Act of the 93rd General Assembly, begin to hold
33 himself or herself out as a registered certified public

1 accountant unless he or she is registered in accordance with
2 the provisions of this Act.

3 On and after October 1, 2006, no person may use or
4 incorporate the title "certified public accountant" without
5 holding a license as a licensed certified public accountant or
6 registered certified public accountant under this Act.

7 (Source: P.A. 83-291.)

8 (225 ILCS 450/9.01)

9 (Section scheduled to be repealed on January 1, 2014)

10 (Text of Section after amendment by P.A. 92-457)

11 Sec. 9.01. Unlicensed practice; violation; civil penalty.

12 (a) Any person who practices, offers to practice, attempts
13 to practice, or holds oneself out to practice as a licensed
14 certified public accountant without being licensed under this
15 Act shall, in addition to any other penalty provided by law,
16 pay a civil penalty to the Department Board in an amount not to
17 exceed \$5,000 for each offense as determined by the Department
18 Board. The civil penalty shall be assessed by the Department
19 Board after a hearing is held in accordance with the provisions
20 set forth in this Act regarding the provision of a hearing for
21 the discipline of a licensee.

22 (b) The Department Board has the authority and power to
23 investigate any and all unlicensed activity.

24 (c) The civil penalty shall be paid within 60 days after
25 the effective date of the order imposing the civil penalty. The
26 order shall constitute a judgment and may be filed and
27 execution had thereon in the same manner as any judgment from
28 any court of record.

29 (Source: P.A. 92-457, eff. 7-1-04.)

30 (225 ILCS 450/9.02)

31 (Section scheduled to be repealed on January 1, 2014)

32 (This Section may contain text from a Public Act with a

1 delayed effective date)

2 Sec. 9.02. Unauthorized use of title; violation; civil
3 penalty.

4 (a) On and after October 1, 2006, any ~~Any~~ person who shall
5 assume the title "certified public accountant" or use the
6 abbreviation "CPA" or any words or letters to indicate that the
7 person using the same is a certified public accountant without
8 having been issued a registration as a registered certified
9 public accountant or a license as a licensed certified public
10 accountant certificate under the provisions of this Act shall,
11 in addition to any other penalty provided by law, pay a civil
12 penalty to the Department Board in an amount not to exceed
13 \$5,000 for each offense as determined by the Department Board.
14 The civil penalty shall be assessed by the Department Board
15 after a hearing is held in accordance with the provisions set
16 forth in this Act regarding the provision of a hearing for the
17 discipline of a licensee.

18 (b) The Department Board has the authority and power to
19 investigate any and all alleged improper use of the certified
20 public accountant title or CPA designation.

21 (c) The civil penalty shall be paid within 60 days after
22 the effective date of the order imposing the civil penalty. The
23 order shall constitute a judgment and may be filed and
24 execution had thereon in the same manner as any judgment from
25 any court of record.

26 (Source: P.A. 92-457, eff. 7-1-04.)

27 (225 ILCS 450/9.1) (from Ch. 111, par. 5510.1)

28 (Section scheduled to be repealed on January 1, 2014)

29 Sec. 9.1. Temporary practice.

30 (a) An individual who has passed the Uniform CPA
31 Examination and who holds a valid, unrevoked license or permit
32 to practice as a public accountant from a state or United
33 States territory in which he or she resides or has his or her

1 principal place of business, and who does not reside or have
2 his or her principal place of business in this State, may
3 practice public accounting within this State without the need
4 to obtain a license under this Act. Such practice shall be
5 conducted in accordance with the relevant provisions of this
6 Act and rules and regulations adopted hereunder.

7 (b) A foreign accountant who holds a license, certificate,
8 or degree in a foreign country constituting a recognized
9 qualification for the practice of public accounting and who
10 does not reside or have an office in this State may temporarily
11 practice public accounting in this State or professional
12 business incident to his or her regular practice without
13 licensure under this Act provided the standards, including
14 examination, governing issuance of the foreign license,
15 certificate, or degree are substantially equivalent to those in
16 Illinois, and the foreign jurisdiction in question grants equal
17 recognition to Illinois accountants.

18 (c) Any person practicing pursuant to this Section shall
19 file a notice with the Department on forms prescribed by the
20 Department. The Department shall determine by rule the
21 information to be submitted. The Department may charge a
22 processing fee as determined by rule.

23 (Source: P.A. 91-508, eff. 8-13-99.)

24 (225 ILCS 450/9.2) (from Ch. 111, par. 5510.2)

25 (Section scheduled to be repealed on January 1, 2014)

26 (Text of Section after amendment by P.A. 92-457)

27 Sec. 9.2. Powers and duties of the Department ~~Board~~.

28 (a) The Department ~~Board~~ shall exercise the powers and
29 duties prescribed by "The Civil Administrative Code of
30 Illinois" for the administration of licensing acts and shall
31 exercise such other powers and duties invested by this Act.

32 (b) The Director ~~Board~~ may promulgate rules consistent with
33 the provisions of this Act for the administration and

1 enforcement of the provisions of this Act for which the
2 Department is responsible thereof, and for the payment of fees
3 connected therewith and may prescribe forms which shall be
4 issued in connection therewith. The rules shall include
5 standards and criteria for licensure and professional conduct
6 and discipline.

7 (c) The Department may solicit the advice and expert
8 knowledge of the Committee or the Board on any matter relating
9 to the administration and enforcement of this Act.

10 (Source: P.A. 92-457, eff. 7-1-04.)

11 (225 ILCS 450/11) (from Ch. 111, par. 5512)

12 (Section scheduled to be repealed on January 1, 2014)

13 (Text of Section after amendment by P.A. 92-457)

14 Sec. 11. Exemption from Act. Nothing in this Act shall
15 prohibit any person who may be engaged by one or more persons,
16 partnerships or corporations, from keeping books, or from
17 making trial balances or statements, or, as an employee, from
18 making audits or preparing reports, provided that the person
19 does not indicate or in any manner imply that the trial
20 balances, statements, or reports have been prepared or examined
21 by a certified public accountant, a registered certified public
22 accountant, or a licensed certified public accountant or that
23 they represent the independent opinion of a certified public
24 accountant or a licensed certified public accountant. Nothing
25 in this Act shall prohibit any person from preparing tax and
26 information returns or from acting as representative or agent
27 at tax inquiries, examinations or proceedings, or from
28 preparing and installing accounting systems, or from reviewing
29 accounts and accounting methods for the purpose of determining
30 the efficiency of accounting methods or appliances, or from
31 studying matters of organization, provided that the person does
32 not indicate or in any manner imply that the reports have been
33 prepared by, or that the representation or accounting work has

1 been performed by a certified public accountant, a registered
2 certified public accountant, or a licensed certified public
3 accountant. Unlicensed accountants are not prohibited from
4 performing any services that they may have performed prior to
5 this Amendatory Act of 1983.

6 (Source: P.A. 92-457, eff. 7-1-04.)

7 (225 ILCS 450/13) (from Ch. 111, par. 5514)

8 (Section scheduled to be repealed on January 1, 2014)

9 (Text of Section after amendment by P.A. 92-457)

10 Sec. 13. Application for licensure. A person, partnership,
11 limited liability company, or corporation desiring to practice
12 public accounting in this State shall make application to the
13 Department Board for licensure as a licensed certified public
14 accountant and shall pay the fee required by rule Section 17.

15 Applicants have 3 years from the date of application to
16 complete the application process. If the process has not been
17 completed in 3 years, the application shall be denied, the fee
18 forfeited and the applicant must reapply and meet the
19 requirements in effect at the time of reapplication.

20 (Source: P.A. 92-457, eff. 7-1-04.)

21 (225 ILCS 450/14) (from Ch. 111, par. 5515)

22 (Section scheduled to be repealed on January 1, 2014)

23 (Text of Section after amendment by P.A. 92-457)

24 Sec. 14. Qualifications. The Department may Board shall
25 license as licensed certified public accountants the
26 following:

27 (a) All persons who have received certificates as certified
28 public accountants from the Board or who hereafter receive
29 registrations as registered certified public accountants from
30 the Department ~~certificates as certified public accountants~~
31 ~~from the Board,~~ who have had at least one year of full-time
32 experience, or its equivalent, providing any type of service or

1 advice involving the use of accounting, attest, management
2 advisory, financial advisory, tax, or consulting skills, which
3 may be gained through employment in government, industry,
4 academia, or public practice.

5 If the applicant's certificate as a certified public
6 accountant from the Board or the applicant's registration as a
7 registered certified public accountant from the Department was
8 issued more than 4 years prior to the application for a ~~an~~
9 ~~internal~~ license under this Section, the applicant shall submit
10 any evidence the Department ~~Board~~ may require showing the
11 applicant has completed not less than 90 hours of continuing
12 professional education acceptable to the Department ~~Board~~
13 within the 3 years immediately preceding the date of
14 application.

15 (b) All partnerships, limited liability companies, or
16 corporations, or other entities engaged in the practice of
17 public accounting in this State and meeting the following
18 requirements:

19 (1) (Blank).

20 (2) A majority of the ownership of the firm, in terms
21 of financial interests and voting rights of all partners,
22 officers, shareholders, members, or managers, belongs to
23 persons licensed in some state, and the partners, officers,
24 shareholders, members, or managers whose principal place
25 of business is in this State and who practice public
26 accounting in this State, as defined in Section 8 of this
27 Act, hold a valid license issued by this State.

28 (3) It shall be lawful for a nonprofit cooperative
29 association engaged in rendering an auditing and
30 accounting service to its members only, to continue to
31 render that service provided that the rendering of auditing
32 and accounting service by the cooperative association
33 shall at all times be under the control and supervision of
34 licensed certified public accountants.

1 (4) The Department ~~Board~~ may adopt rules and
2 regulations as necessary to provide for the practice of
3 public accounting by business entities that may be
4 otherwise authorized by law to conduct business in
5 Illinois.

6 (Source: P.A. 91-508, eff. 8-13-99; 91-827, eff. 6-13-00;
7 92-457, eff. 7-1-04.)

8 (225 ILCS 450/14.1)

9 (Section scheduled to be repealed on January 1, 2014)

10 (Text of Section after amendment by P.A. 92-457)

11 Sec. 14.1. Foreign accountants. The Department ~~Board~~ shall
12 issue a license to a holder of a foreign designation, granted
13 in a foreign country entitling the holder thereof to engage in
14 the practice of public accounting, provided:

15 (a) The applicant is the holder of a certificate as a
16 certified public accountant from the Board or a registration as
17 a registered certified public accountant from the Department
18 issued under ~~Section 2, 5, or 5.1~~ of this Act; and

19 (b) The foreign authority that granted the designation
20 makes similar provision to allow a person who holds a valid
21 license issued by this State to obtain a foreign authority's
22 comparable designation; and

23 (c) The foreign designation (i) was duly issued by a
24 foreign authority that regulates the practice of public
25 accounting and the foreign designation has not expired or been
26 revoked or suspended; (ii) entitles the holder to issue reports
27 upon financial statements; and (iii) was issued upon the basis
28 of educational, examination, and experience requirements
29 established by the foreign authority or by law; and

30 (d) The applicant (i) received the designation based on
31 standards substantially equivalent to those in effect in this
32 State at the time the foreign designation was granted; and (ii)
33 completed an experience requirement, substantially equivalent

1 to the requirement set out in Section 14, in the jurisdiction
2 that granted the foreign designation or has completed 5 years
3 of experience in the practice of public accounting in this
4 State, or meets equivalent requirements prescribed by the
5 Department Board by rule, within the 10 years immediately
6 preceding the application.

7 (e) Applicants have 3 years from the date of application to
8 complete the application process. If the process has not been
9 completed in 3 years, the application shall be denied, the fee
10 shall be forfeited, and the applicant must reapply and meet the
11 requirements in effect at the time of reapplication.

12 (Source: P.A. 92-457, eff. 7-1-04.)

13 (225 ILCS 450/14.2)

14 (Section scheduled to be repealed on January 1, 2014)

15 (Text of Section after amendment by P.A. 92-457)

16 Sec. 14.2. Licensure by endorsement.

17 (a) The Department Board shall issue a license as a
18 licensed certified public accountant to any applicant who holds
19 a certificate as a certified public accountant issued by the
20 Board of Examiners or similar certification from another
21 jurisdiction with equivalent educational requirements and
22 examination standards, applies to the Department on forms
23 supplied by the Department, and pays the required fee, and who
24 ~~holds a valid unrevoked license or permit to practice as a~~
25 ~~licensed certified public accountant issued under the laws of~~
26 ~~any other state or territory of the United States or the~~
27 ~~District of Columbia,~~ provided:

28 (1) the individual applicant is determined by the
29 Department Board to possess ~~personal~~ qualifications
30 substantially equivalent to this State's current licensing
31 requirements;

32 (2) at the time the applicant received his or her
33 current valid and unrevoked license or permit, the

1 applicant possessed qualifications substantially
2 equivalent to the qualifications for licensure then in
3 effect in this State; or

4 (3) the applicant has, after passing the examination
5 upon which his or her license or other permit to practice
6 was based, not less than 4 years of experience in the
7 practice of public accounting within the 10 years
8 immediately before the application.

9 (b) In determining the substantial equivalency of any
10 state's requirements to Illinois' requirements, the Department
11 ~~Board~~ may rely on the determinations of the National
12 Qualification Appraisal Service of the National Association of
13 State Boards of Accountancy or such other qualification
14 appraisal service as it deems appropriate.

15 (c) Applicants have 3 years from the date of application to
16 complete the application process. If the process has not been
17 completed in 3 years, the application shall be denied, the fee
18 shall be forfeited, and the applicant must reapply and meet the
19 requirements in effect at the time of reapplication.

20 (Source: P.A. 91-508, eff. 8-13-99; 91-779, eff. 6-9-00;
21 92-457, eff. 7-1-04.)

22 (225 ILCS 450/14.3)

23 (Section scheduled to be repealed on January 1, 2014)

24 (Text of Section after amendment by P.A. 92-457)

25 Sec. 14.3. Additional requirements for firms. In addition
26 to the ownership requirements set forth in subsection (b) of
27 Section 14, all firms licensed under this Act shall meet the
28 following requirements:

29 (a) All owners of the firm, whether licensed or not, ~~who~~
30 ~~are not licensed~~ shall be active participants in the firm or
31 its affiliated entities.

32 (b) An individual who supervises services for which a
33 license is required under Section 8 of this Act or who signs or

1 authorizes another to sign any report for which a license is
2 required under Section 8 of this Act shall hold a valid,
3 unrevoked Licensed Certified Public Accountant license from
4 this State or another state and shall comply with such
5 additional experience requirements as may be required by rule
6 of the Board.

7 (c) The firm shall require that all owners of the firm,
8 whether or not certified or licensed under this Act, comply
9 with rules promulgated under this Act.

10 (d) The firm shall designate to the Department ~~Board~~ in
11 writing an individual licensed under this Act who shall be
12 responsible for the proper registration of the firm.

13 (e) Applicants have 3 years from the date of application to
14 complete the application process. If the process has not been
15 completed in 3 years, the application shall be denied, the fee
16 shall be forfeited, and the applicant must reapply and meet the
17 requirements in effect at the time of reapplication.

18 (Source: P.A. 91-508, eff. 8-13-99; 92-457, eff. 7-1-04.)

19 (225 ILCS 450/16) (from Ch. 111, par. 5517)

20 (Section scheduled to be repealed on January 1, 2014)

21 (Text of Section after amendment by P.A. 92-457)

22 Sec. 16. Expiration and renewal of licenses; renewal of
23 registration; continuing education.

24 (a) The expiration date and renewal period for each license
25 issued under this Act shall be set by rule.

26 (b) Every holder of a license or registration under this
27 Act may renew such license or registration before the
28 expiration date upon payment of the required renewal fee as set
29 by rule.

30 (c) Every application for renewal of a license by a
31 licensed certified public accountant who has been licensed
32 under this Act for 3 years or more shall be accompanied or
33 supported by any evidence the Department shall prescribe, in

1 satisfaction of completing, each 3 years, not less than 120
2 hours of continuing professional education programs in
3 subjects given by continuing education sponsors registered by
4 the Department upon recommendation of the Committee. Of the 120
5 hours, not less than 4 hours shall be courses covering the
6 subject of professional ethics. All continuing education
7 sponsors applying to the Department for registration shall be
8 required to submit an initial nonrefundable application fee set
9 by Department rule. Each registered continuing education
10 sponsor shall be required to pay an annual renewal fee set by
11 Department rule. Publicly supported colleges, universities,
12 and governmental agencies located in Illinois are exempt from
13 payment of any fees required for continuing education sponsor
14 registration. Failure by a continuing education sponsor to be
15 licensed or pay the fees prescribed in this Act, or to comply
16 with the rules and regulations established by the Department
17 under this Section regarding requirements for continuing
18 education courses or sponsors, shall constitute grounds for
19 revocation or denial of renewal of the sponsor's registration.

20 (d) Licensed Certified Public Accountants are exempt from
21 the continuing professional education requirement for the
22 first renewal period following the original issuance of the
23 license.

24 Notwithstanding the provisions of this subsection (c), the
25 Department may accept courses and sponsors approved by other
26 states, by the American Institute of Certified Public
27 Accountants, by other state CPA societies, or by national
28 accrediting organizations such as the National Association of
29 State Boards of Accountancy.

30 Failure by an applicant for renewal of a license as a
31 licensed certified public accountant to furnish the evidence
32 shall constitute grounds for disciplinary action, unless the
33 Department in its discretion shall determine the failure to
34 have been due to reasonable cause. The Department, in its

1 discretion, may renew a license despite failure to furnish
2 evidence of satisfaction of requirements of continuing
3 education upon condition that the applicant follow a particular
4 program or schedule of continuing education. In issuing rules
5 and individual orders in respect of requirements of continuing
6 education, the Department in its discretion may, among other
7 things, use and rely upon guidelines and pronouncements of
8 recognized educational and professional associations; may
9 prescribe rules for the content, duration, and organization of
10 courses; shall take into account the accessibility to
11 applicants of such continuing education as it may require, and
12 any impediments to interstate practice of public accounting
13 that may result from differences in requirements in other
14 states; and may provide for relaxation or suspension of
15 requirements in regard to applicants who certify that they do
16 not intend to engage in the practice of public accounting, and
17 for instances of individual hardship.

18 The Department shall establish by rule a means for the
19 verification of completion of the continuing education
20 required by this Section. This verification may be accomplished
21 through audits of records maintained by licensees; by requiring
22 the filing of continuing education certificates with the
23 Department; or by other means established by the Department.

24 The Department may establish, by rule, guidelines for
25 acceptance of continuing education on behalf of licensed
26 certified public accountants taking continuing education
27 courses in other jurisdictions.

28 ~~(b) Every application for renewal of a license by any~~
29 ~~person who has been licensed under this Act for 3 years or more~~
30 ~~shall be accompanied or supported by any evidence the Board~~
31 ~~shall prescribe, in satisfaction of completing, each 3 years,~~
32 ~~not less than 120 hours of qualifying continuing professional~~
33 ~~education programs. Applications for renewal by any person who~~
34 ~~has been licensed less than 3 years shall be accompanied or~~

1 ~~supported by evidence of completion of 20 hours of qualifying~~
2 ~~continuing professional education programs for each full 6~~
3 ~~months since the date of licensure or last renewal. Qualifying~~
4 ~~continuing education programs include those given by~~
5 ~~continuing education sponsors registered with the Board, those~~
6 ~~given by the American Institute of CPAs, the Illinois CPA~~
7 ~~Foundation, and programs given by sponsors approved by national~~
8 ~~accrediting organizations approved by the Board. All~~
9 ~~continuing education sponsors applying to the Board for~~
10 ~~registration shall be required to submit an initial~~
11 ~~nonrefundable application fee set by Board rule. Each~~
12 ~~registered continuing education sponsor shall be required to~~
13 ~~pay an annual renewal fee set by Board rule. Publicly supported~~
14 ~~colleges, universities, and governmental agencies located in~~
15 ~~Illinois are exempt from payment of any fees required for~~
16 ~~continuing education sponsor registration. Failure by a~~
17 ~~continuing education sponsor to pay the fees prescribed in this~~
18 ~~Act, or to comply with the rules and regulations established by~~
19 ~~the Board under this Section regarding requirements for~~
20 ~~continuing education courses or sponsors, shall constitute~~
21 ~~grounds for revocation or denial of renewal of the sponsor's~~
22 ~~registration. All other courses or programs may qualify upon~~
23 ~~presentation by the licensee of evidence satisfactory to the~~
24 ~~Board that the course or program meets all Board rules for~~
25 ~~qualifying education programs.~~

26 ~~Failure by an applicant for renewal of a license to furnish~~
27 ~~the evidence shall constitute grounds for disciplinary action,~~
28 ~~unless the Board in its discretion shall determine the failure~~
29 ~~to have been due to reasonable cause. The Board, in its~~
30 ~~discretion, may renew a license despite failure to furnish~~
31 ~~evidence of satisfaction of requirements of continuing~~
32 ~~education upon condition that the applicant follow a particular~~
33 ~~program or schedule of continuing education. In issuing rules,~~
34 ~~regulations, and individual orders in respect of requirements~~

1 ~~of continuing education, the Board in its discretion may, among~~
2 ~~other things, use and rely upon guidelines and pronouncements~~
3 ~~of recognized educational and professional associations; may~~
4 ~~prescribe rules for content, duration, and organization of~~
5 ~~courses; shall take into account the accessibility to~~
6 ~~applicants of continuing education as it may require, and any~~
7 ~~impediments to interstate practice of public accounting that~~
8 ~~may result from differences in requirements in other states;~~
9 ~~and may provide for relaxation or suspension of requirements in~~
10 ~~regard to applicants who certify that they do not intend to~~
11 ~~engage in the practice of public accounting, and for instances~~
12 ~~of individual hardship.~~

13 ~~The Board shall establish by rule a means for the~~
14 ~~verification of completion of the continuing education~~
15 ~~required by this Section. This verification may be accomplished~~
16 ~~through audits of records maintained by registrants; by~~
17 ~~requiring the filing of continuing education certificates with~~
18 ~~the Board; or by other means established by the Board.~~

19 ~~The Board may establish, by rule, guidelines for acceptance~~
20 ~~of continuing education on behalf of licensed certified public~~
21 ~~accountants taking continuing education courses in other~~
22 ~~jurisdictions.~~

23 (Source: P.A. 92-457, eff. 7-1-04.)

24 (225 ILCS 450/17) (from Ch. 111, par. 5518)

25 (Section scheduled to be repealed on January 1, 2014)

26 (Text of Section after amendment by P.A. 92-457)

27 Sec. 17. Fees; returned checks; fines. Each person,
28 partnership, limited liability company, and corporation, to
29 which a license or registration is issued, shall pay a fee to
30 be established by the Department Board which allows the
31 Department Board to pay all costs and expenses incident to the
32 administration of this Act. Interim licenses shall be at full
33 rates.

1 The Department Board, by rule, shall establish fees to be
2 paid for certification of records, and copies of this Act and
3 the rules issued for administration of this Act.

4 Any person who delivers a check or other payment to the
5 Department Board that is returned to the Department Board
6 unpaid by the financial institution upon which it is drawn
7 shall pay to the Department Board, in addition to the amount
8 already owed to the Department Board, a fine of \$50 ~~in an~~
9 ~~amount to be established by Board rule~~. The fines imposed by
10 this Section are in addition to any other discipline provided
11 under this Act for unlicensed practice or practice on a
12 nonrenewed license or registration. The Department Board shall
13 notify the person that payment of fees and fines shall be paid
14 to the Department Board by certified check or money order
15 within 30 calendar days of the notification. If, after the
16 expiration of 30 days from the date of the notification, the
17 person has failed to submit the necessary remittance, the
18 Department Board shall automatically terminate the license or
19 registration certificate or deny the application, without
20 hearing. If, after termination or denial, the person seeks a
21 license or registration certificate, he or she shall apply to
22 the Department Board for restoration or issuance of the license
23 or registration certificate and pay all fees and fines due to
24 the Department Board. The Department Board may establish a fee
25 for the processing of an application for restoration of a
26 license or registration certificate to pay all expenses of
27 processing this application. The Department Board may waive the
28 fines due under this Section in individual cases where the
29 Department Board finds that the fines would be unreasonable or
30 unnecessarily burdensome.

31 (Source: P.A. 92-146, eff. 1-1-02; 92-457, eff. 7-1-04; 92-651,
32 eff. 7-11-02.)

1 (Section scheduled to be repealed on January 1, 2014)

2 (Text of Section after amendment by P.A. 92-457)

3 Sec. 17.1. Any registered certified public accountant who
4 has permitted his or her registration to expire or who has had
5 his or her registration on inactive status may have his or her
6 registration restored by making application to the Department
7 and filing proof acceptable to the Department as defined by
8 rule of his or her fitness to have his or her registration
9 restored, which may include sworn evidence certifying to active
10 practice in another jurisdiction satisfactory to the
11 Department and by paying the required restoration fee.

12 Any licensed certified public accountant who has permitted
13 his or her license to expire or who has had his or her license
14 on inactive status may have his or her license restored by
15 making application to the Department Board and filing proof
16 acceptable to the Department as defined by rule Board of his or
17 her fitness to have his or her license restored, including
18 sworn evidence certifying to active practice in another
19 jurisdiction satisfactory to the Department Board and by paying
20 the required restoration fee and by submitting proof of the
21 required continuing education.

22 If the licensed certified public accountant or registered
23 certified public accountant has not maintained an active
24 practice in another jurisdiction satisfactory to the
25 Department Board, the Department Board shall determine, by an
26 evaluation program established by rule, fitness to resume
27 active status and may require the applicant to complete a
28 period of supervised ~~auditing~~ experience.

29 However, any licensed certified public accountant or
30 registered certified public accountant whose license or
31 registration expired while he was (1) in Federal Service on
32 active duty with the Armed Forces of the United States, or the
33 State Militia called into service or training, or (2) in
34 training or education under the supervision of the United

1 States preliminary to induction into the military service, may
2 have his license or registration renewed reinstated or restored
3 without paying any lapsed renewal and restoration fees if
4 within 2 years after honorable termination of such service,
5 training or education except under conditions other than
6 honorable, he furnished the Department Board with satisfactory
7 evidence to the effect that he has been so engaged and that his
8 service, training or education has been so terminated.

9 (Source: P.A. 92-457, eff. 7-1-04.)

10 (225 ILCS 450/17.2) (from Ch. 111, par. 5518.2)

11 (Section scheduled to be repealed on January 1, 2014)

12 (Text of Section after amendment by P.A. 92-457)

13 Sec. 17.2. Inactive status. Any licensed certified public
14 accountant or Registered Certified Public Accountant who
15 notifies the Department Board in writing on forms prescribed by
16 the Department Board, may elect to place his license or
17 registration on an inactive status and shall, subject to rules
18 of the Department Board, be excused from payment of renewal
19 fees until he notifies the Department Board in writing of his
20 desire to resume active status.

21 Any licensed certified public accountant requesting
22 restoration from inactive status shall be required to pay the
23 current renewal fee, shall be required to submit proof of the
24 required continuing education, and shall be required to restore
25 his license, as provided in this Act.

26 Any Registered Certified Public Accountant requesting
27 restoration from inactive status shall be required to pay the
28 current renewal fee and shall be required to comply with any
29 requirements established by rule.

30 Any licensed certified public accountant whose license is
31 in an inactive status shall not practice public accounting in
32 this State of Illinois.

33 Any Registered Certified Public Accountant whose

1 registration is in an inactive status shall not in any manner
2 hold himself or herself out to the public as a C.P.A. or
3 R.C.P.A.

4 The Department Board may, in its discretion, license as a
5 licensed certified public accountant, on payment of the
6 required fee, an applicant who is a licensed certified public
7 accountant licensed under the laws of another jurisdiction if
8 the requirements for licensure of licensed certified public
9 accountants in the jurisdiction in which the applicant was
10 licensed were, at the date of his licensure, substantially
11 equivalent to the requirements in force in this State on that
12 date.

13 Applicants have 3 years from the date of application to
14 complete the application process. If the process has not been
15 completed in 3 years, the application shall be denied, the fee
16 forfeited and the applicant must reapply and meet the
17 requirements in effect at the time of reapplication.

18 (Source: P.A. 92-457, eff. 7-1-04.)

19 (225 ILCS 450/19) (from Ch. 111, par. 5520)

20 (Section scheduled to be repealed on January 1, 2014)

21 (Text of Section after amendment by P.A. 92-457)

22 Sec. 19. Hearings. The Committee established under the
23 provisions of Section 2.05 shall, upon designation by the
24 Director ~~The Board, or a committee thereof, shall~~ hear charges
25 which, if proved, would constitute grounds for disciplinary
26 action; shall hear applications for restoration of a license
27 and the issuance of a license or registration ~~registration~~
28 ~~cards~~ as a licensed certified public accountant or registered
29 certified public accountant ~~accountants~~ of any person,
30 partnership, limited liability company, or corporation whose
31 license or registration has been suspended or revoked; and
32 shall report its findings and recommendations in connection
33 therewith to the Director ~~Board~~, all as provided in Section

1 20.01.

2 The Department Board shall also have power to promulgate
3 and amend rules of professional conduct that shall apply to
4 persons registered ~~certified~~ or licensed under this Act.

5 (Source: P.A. 92-457, eff. 7-1-04.)

6 (225 ILCS 450/20.01) (from Ch. 111, par. 5521.01)

7 (Section scheduled to be repealed on January 1, 2014)

8 (Text of Section after amendment by P.A. 92-457)

9 Sec. 20.01. Grounds for discipline; license or
10 registration.

11 (a) The Department Board may refuse to issue or renew, or
12 may revoke, suspend, or reprimand any license or licensee,
13 place a licensee or registrant on probation for a period of
14 time subject to any conditions the Department Board may specify
15 including requiring the licensee or registrant to attend
16 continuing education courses or to work under the supervision
17 of another licensee or registrant, impose a fine not to exceed
18 \$5,000 for each violation, restrict the authorized scope of
19 practice, or require a licensee or registrant to undergo a peer
20 review program, for any one or more of the following:

21 (1) Violation of any provision of this Act.

22 (2) Attempting to procure a license or registration to
23 practice under this Act ~~public accounting~~ by bribery or
24 fraudulent misrepresentations.

25 (3) Having a license to practice public accounting or
26 registration revoked, suspended, or otherwise acted
27 against, including the denial of licensure or
28 registration, by the licensing or registering authority of
29 another state, territory, or country, including but not
30 limited to the District of Columbia, or any United States
31 territory. No disciplinary action shall be taken in
32 Illinois if the action taken in another jurisdiction was
33 based upon failure to meet the continuing professional

1 education requirements of that jurisdiction and the
2 applicable Illinois continuing professional education
3 requirements are met.

4 (4) Being convicted or found guilty, regardless of
5 adjudication, of a crime in any jurisdiction which directly
6 relates to the practice of public accounting or the ability
7 to practice public accounting or as a Registered Certified
8 Public Accountant.

9 (5) Making or filing a report or record which the
10 registrant or licensee knows to be false, willfully failing
11 to file a report or record required by state or federal
12 law, willfully impeding or obstructing the filing, or
13 inducing another person to impede or obstruct the filing.
14 The reports or records shall include only those that are
15 signed in the capacity of a licensed certified public
16 accountant or a registered certified public accountant.

17 (6) Conviction in this or another State or the District
18 of Columbia, or any United States Territory, of any crime
19 that is punishable by one year or more in prison or
20 conviction of a crime in a federal court that is punishable
21 by one year or more in prison.

22 (7) Proof that the licensee or registrant is guilty of
23 fraud or deceit, or of gross negligence, incompetency, or
24 misconduct, in the practice of public accounting.

25 (8) Violation of any rule adopted under this Act.

26 (9) Practicing on a revoked, suspended, or inactive
27 license or registration.

28 (10) Suspension or revocation of the right to practice
29 before any state or federal agency.

30 (11) Conviction of any crime under the laws of the
31 United States or any state or territory of the United
32 States that is a felony or misdemeanor and has dishonesty
33 as an essential element, or of any crime that is directly
34 related to the practice of the profession.

1 (12) Making any misrepresentation for the purpose of
2 obtaining a license, or registration or material
3 misstatement in furnishing information to the Department
4 ~~Board~~.

5 (13) Aiding or assisting another person in violating
6 any provision of this Act or rules promulgated hereunder.

7 (14) Engaging in dishonorable, unethical, or
8 unprofessional conduct of a character likely to deceive,
9 defraud, or harm the public and violating the rules of
10 professional conduct adopted by the Department ~~Board~~.

11 (15) Habitual or excessive use or addiction to alcohol,
12 narcotics, stimulants, or any other chemical agent or drug
13 that results in the inability to practice with reasonable
14 skill, judgment, or safety.

15 (16) Directly or indirectly giving to or receiving from
16 any person, firm, corporation, partnership, or association
17 any fee, commission, rebate, or other form of compensation
18 for any professional service not actually rendered.

19 (17) Physical or mental disability, including
20 deterioration through the aging process or loss of
21 abilities and skills that results in the inability to
22 practice the profession with reasonable judgment, skill or
23 safety.

24 (18) Solicitation of professional services by using
25 false or misleading advertising.

26 (19) Failure to file a return, or pay the tax, penalty
27 or interest shown in a filed return, or to pay any final
28 assessment of tax, penalty or interest, as required by any
29 tax Act administered by the Illinois Department of Revenue
30 or any successor agency or the Internal Revenue Service or
31 any successor agency.

32 (20) Practicing or attempting to practice under a name
33 other than the full name as shown on the license or
34 registration or any other legally authorized name.

1 (21) A finding by the Department Board that a licensee
2 or registrant has not complied with a provision of any
3 lawful order issued by the Department Board.

4 (22) Making a false statement to the Department Board
5 regarding compliance with continuing professional
6 education requirements.

7 (23) Failing to make a substantive response to a
8 request for information by the Department Board within 30
9 days of the request.

10 (b) (Blank).

11 (c) In rendering an order, the Department Board shall take
12 into consideration the facts and circumstances involving the
13 type of acts or omissions in subsection (a) including, but not
14 limited to:

15 (1) the extent to which public confidence in the public
16 accounting profession was, might have been, or may be
17 injured;

18 (2) the degree of trust and dependence among the
19 involved parties;

20 (3) the character and degree of financial or economic
21 harm which did or might have resulted; and

22 (4) the intent or mental state of the person charged at
23 the time of the acts or omissions.

24 (d) The Department Board shall reissue the license or
25 registration upon a showing that the disciplined licensee or
26 registrant has complied with all of the terms and conditions
27 set forth in the final order.

28 (e) The Department Board shall deny any application for a
29 license, registration, or renewal, without hearing, to any
30 person who has defaulted on an educational loan guaranteed by
31 the Illinois Student Assistance Commission; however, the
32 Department Board may issue a license, registration, or renewal
33 if the person in default has established a satisfactory
34 repayment record as determined by the Illinois Student

1 Assistance Commission.

2 (f) The determination by a court that a licensee or
3 registrant is subject to involuntary admission or judicial
4 admission as provided in the Mental Health and Developmental
5 Disabilities Code will result in the automatic suspension of
6 his or her license or registration. The licensee or registrant
7 shall be responsible for notifying the Department of the
8 determination by the court that the licensee or registrant is
9 subject to involuntary admission or judicial admission as
10 provided in the Mental Health and Developmental Disabilities
11 Code. The licensee or registrant shall also notify the
12 Department upon discharge so that a determination may be made
13 under item (17) of subsection (a) whether the licensee or
14 registrant may resume practice ~~The suspension will end upon a~~
15 ~~finding by a court that the licensee is no longer subject to~~
16 ~~involuntary admission or judicial admission and the issuance of~~
17 ~~an order so finding and discharging the patient.~~

18 (Source: P.A. 92-457, eff. 7-1-04; 93-629, eff. 12-23-03.)

19 (225 ILCS 450/20.1) (from Ch. 111, par. 5522)

20 (Section scheduled to be repealed on January 1, 2014)

21 (Text of Section after amendment by P.A. 92-457)

22 Sec. 20.1. Investigations; notice; hearing. The Department
23 ~~Board~~ may, upon its own motion, and shall, upon the verified
24 complaint in writing of any person setting forth facts which,
25 if proved, would constitute grounds for disciplinary action as
26 set forth in Section 20.01, investigate the actions of any
27 person or entity. The Department ~~Board~~ may refer complaints and
28 investigations to a disciplinary body of the accounting
29 profession for technical assistance. The results of an
30 investigation and recommendations of the disciplinary body may
31 be considered by the Department ~~Board~~, but shall not be
32 considered determinative and the Department ~~Board~~ shall not in
33 any way be obligated to take any action or be bound by the

1 results of the accounting profession's disciplinary
2 proceedings. The Department Board, before taking disciplinary
3 action, shall afford the concerned party or parties an
4 opportunity to request a hearing and if so requested shall set
5 a time and place for a hearing of the complaint. The Department
6 ~~Board~~ shall notify the applicant or the licensed or registered
7 person or entity of any charges made and the date and place of
8 the hearing of those charges by mailing notice thereof to that
9 person or entity by registered or certified mail to the place
10 last specified by the accused person or entity in the last
11 notification to the Department Board, at least 30 days prior to
12 the date set for the hearing or by serving a written notice by
13 delivery of the notice to the accused person or entity at least
14 15 days prior to the date set for the hearing, and shall direct
15 the applicant or licensee or registrant to file a written
16 answer to the Department Board under oath within 20 days after
17 the service of the notice and inform the applicant or licensee
18 or registrant that failure to file an answer will result in
19 default being taken against the applicant or licensee or
20 registrant and that the license or registration ~~or certificate~~
21 may be suspended, revoked, placed on probationary status, or
22 other disciplinary action may be taken, including limiting the
23 scope, nature or extent of practice, as the Director Board may
24 deem proper. In case the person fails to file an answer after
25 receiving notice, his or her license or registration ~~or~~
26 ~~certificate~~ may, in the discretion of the Department Board, be
27 suspended, revoked, or placed on probationary status, or the
28 Department Board may take whatever disciplinary action deemed
29 proper, including limiting the scope, nature, or extent of the
30 person's practice or the imposition of a fine, without a
31 hearing, if the act or acts charged constitute sufficient
32 grounds for such action under this Act. The Department Board
33 shall afford the accused person or entity an opportunity to be
34 heard in person or by counsel at the hearing. ~~At Following~~ the

1 conclusion of the hearing the Committee Board shall present to
2 the Director ~~issue~~ a written report order setting forth its
3 finding of facts, conclusions of law, and recommendations
4 ~~penalties to be imposed~~. The report order shall contain a
5 finding whether or not the accused person violated this Act or
6 failed to comply with the conditions required in this Act. If
7 the Director disagrees in any regard with the report, he or she
8 may issue an order in contravention of the report. The Director
9 shall provide a written explanation to the Committee of any
10 such deviations and shall specify with particularity the
11 reasons for the deviations.

12 The finding is not admissible in evidence against the
13 person in a criminal prosecution brought for the violation of
14 this Act, but the hearing and findings are not a bar to a
15 criminal prosecution brought for the violation of this Act.

16 (Source: P.A. 92-457, eff. 7-1-04.)

17 (225 ILCS 450/20.2) (from Ch. 111, par. 5523)

18 (Section scheduled to be repealed on January 1, 2014)

19 (Text of Section after amendment by P.A. 92-457)

20 Sec. 20.2. The Department Board may subpoena and bring
21 before it at any hearing any person in this State and take
22 testimony either orally or by deposition, or both, with the
23 same fees and mileage and in the same manner as prescribed by
24 law in judicial proceedings in civil cases in circuit courts of
25 this State.

26 The Director, any member of the Committee designated by the
27 Director, or any hearing officer appointed may administer oaths
28 to witnesses at any hearing which the Department is authorized
29 by law to conduct or any other oaths required or authorized in
30 any Act administered by the Department.

31 ~~The Chairman of the Board, or any member of the Board~~
32 ~~designated by the Chairman, or any hearing officer appointed~~
33 ~~pursuant to Section 20.6, may administer oaths to witnesses at~~

1 ~~any hearing which the Board is authorized by law to conduct,~~
2 ~~and any other oaths required or authorized in any Act~~
3 ~~administered by the Board.~~

4 (Source: P.A. 92-457, eff. 7-1-04.)

5 (225 ILCS 450/20.3) (from Ch. 111, par. 5524)

6 (Section scheduled to be repealed on January 1, 2014)

7 (Text of Section after amendment by P.A. 92-457)

8 Sec. 20.3. Any circuit court in the State of Illinois, upon
9 the application of the accused person, partnership or
10 corporation, of the complainant or of the Department Board,
11 may, by order duly entered, require the attendance of witnesses
12 and the production of relevant books and papers before the
13 Department Board at any hearing relative to a disciplinary
14 action and the court may compel obedience to the order by
15 proceedings for contempt.

16 (Source: P.A. 92-457, eff. 7-1-04.)

17 (225 ILCS 450/20.4) (from Ch. 111, par. 5525)

18 (Section scheduled to be repealed on January 1, 2014)

19 (Text of Section after amendment by P.A. 92-457)

20 Sec. 20.4. The Department Board, at its expense, shall
21 provide a stenographer to take down the testimony and preserve
22 a record of all proceedings at disciplinary hearings. The
23 Department Board shall furnish a transcript of that record to
24 any person interested in that hearing upon payment of the
25 reasonable cost established by the Department Board.

26 (Source: P.A. 92-457, eff. 7-1-04.)

27 (225 ILCS 450/20.5) (from Ch. 111, par. 5526)

28 (Section scheduled to be repealed on January 1, 2014)

29 (Text of Section after amendment by P.A. 92-457)

30 Sec. 20.5. Rehearing. In any disciplinary proceeding, a
31 copy of the Committee's report ~~Board's order~~ shall be served

1 upon the respondent by the Department, either personally or as
2 provided in this Act for the service of the notice of hearing.
3 Within 20 days after such service, the respondent may present
4 to the Department Board a motion in writing for a rehearing,
5 which motion shall specify the particular grounds therefor. If
6 no motion for rehearing is filed, then upon the expiration of
7 the time specified for filing such a motion, or if a motion or
8 rehearing is denied, then upon such denial the Director may
9 enter an order in accordance with recommendations of the
10 Committee except as provided in Section 20.6 ~~determination of~~
11 ~~the Board shall be final~~. If the respondent shall order from
12 the reporting service, and pay for a transcript of the record
13 within the time for filing a motion for rehearing, the 20 day
14 period within which such a motion may be filed shall commence
15 upon the delivery of the transcript to the respondent.

16 Whenever the Director is satisfied that substantial
17 justice has not been done in the disciplinary proceeding, the
18 Director may order a rehearing by the committee or designated
19 hearing officer. The Director shall provide a written
20 explanation to the Committee of any deviation from the
21 recommendations of the Committee and shall specify with
22 particularity the reasons for the deviation.

23 Upon the suspension or revocation of a registration
24 ~~certificate~~ or license of a registrant or the licensee, the
25 registrant or licensee shall be required to surrender to the
26 Department Board the registration certificate or license
27 issued by the Department Board, and upon failure or refusal so
28 to do, the Department Board may seize it.

29 The Department Board may exchange information relating to
30 proceedings resulting in disciplinary action against licensees
31 or registrants with the regulatory bodies of other states, or
32 with other public authorities or private organizations or with
33 federal authorities having regulatory interest in such matter.

34 (Source: P.A. 92-457, eff. 7-1-04.)

1 (225 ILCS 450/20.6) (from Ch. 111, par. 5526.6)

2 (Section scheduled to be repealed on January 1, 2014)

3 (Text of Section after amendment by P.A. 92-457)

4 Sec. 20.6. Notwithstanding the provisions of Section 20.2
5 of this Act, the Director ~~Board~~ shall have the authority to
6 appoint any attorney duly licensed to practice law in the State
7 of Illinois to serve as the hearing officer in any disciplinary
8 action. The Director shall notify the Committee of such
9 appointment.

10 The hearing officer shall have full authority to conduct
11 the hearing. The hearing officer shall report his findings of
12 fact, conclusions of law and recommendations to the Committee
13 and the Director. The Committee shall have 60 days after
14 receiving the report to review the report of the hearing
15 officer and present its findings of fact, conclusions of law,
16 and recommendations to the Director. If the Committee fails to
17 present its report within the 60-day period, the Director shall
18 issue an order based on the report of the hearing officer. If
19 the Director disagrees in any regard with the report of the
20 Committee or hearing officer, he or she may issue an order in
21 contravention thereof. The Director shall provide a written
22 explanation to the Committee of any such deviations and shall
23 specify with particularity the reasons for said action in the
24 final order. ~~Board. The Board shall have 60 days from receipt~~
25 ~~of the report to review the report of the hearing officer and~~
26 ~~shall issue an order based on the report of the hearing officer~~
27 ~~unless it disagrees in any regard with the report of the~~
28 ~~hearing officer, in which case it may issue an order in~~
29 ~~contravention thereof, which order may require a new hearing as~~
30 ~~to some or all of the facts in dispute or may issue findings of~~
31 ~~fact and conclusions of law contrary to the findings and~~
32 ~~conclusions of the hearing officer.~~

33 (Source: P.A. 92-457, eff. 7-1-04.)

1 (225 ILCS 450/21) (from Ch. 111, par. 5527)

2 (Section scheduled to be repealed on January 1, 2014)

3 (Text of Section after amendment by P.A. 92-457)

4 Sec. 21. Judicial review; cost of record; order as prima
5 facie proof.

6 (a) All final administrative decisions of the Department
7 ~~Board~~ hereunder shall be subject to judicial review pursuant to
8 the provisions of the Administrative Review Law, and all
9 amendments and modifications thereof, and the rules adopted
10 pursuant thereto. The term "administrative decision" is
11 defined as in Section 3-101 of the Code of Civil Procedure.

12 Proceedings for judicial review shall be commenced in the
13 Circuit Court of the county in which the party applying for
14 review resides; provided, that if such party is not a resident
15 of this State, the venue shall be in Sangamon, Champaign, or
16 Cook County.

17 (b) The Department ~~Board~~ shall not be required to certify
18 any record to the court or file any answer in court or
19 otherwise appear in any court in a judicial review proceeding,
20 unless there is filed in the court with the complaint a receipt
21 from the Department ~~Board~~ acknowledging payment of the costs of
22 furnishing and certifying the record, which costs shall be
23 established by the Department ~~Board~~. Exhibits shall be
24 certified without cost. Failure on the part of the plaintiff to
25 file such receipt in court shall be grounds for dismissal of
26 the action.

27 (c) An order of disciplinary action or a certified copy
28 thereof, over the seal of the Department ~~Board~~ and purporting
29 to be signed by the Director ~~Chairman~~ or authorized agent of
30 the Director ~~Board~~, shall be prima facie proof, subject to
31 being rebutted, that:

32 (1) the signature is the genuine signature of the
33 Director ~~Chairman~~ or authorized agent of the Director

1 ~~Board;~~

2 (2) the Director ~~Chairman~~ or authorized agent of the
3 Director ~~Board~~ is duly appointed and qualified; and

4 (3) the Committee ~~Board~~ and the members thereof are
5 qualified to act.

6 (Source: P.A. 91-357, eff. 7-29-99; 92-457, eff. 7-1-04.)

7 (225 ILCS 450/26) (from Ch. 111, par. 5532)

8 (Section scheduled to be repealed on January 1, 2014)

9 (Text of Section after amendment by P.A. 92-457)

10 Sec. 26. Rules and regulations. The Department and Board
11 shall adopt all necessary and reasonable rules and regulations
12 for the effective administration and enforcement of the
13 provisions of this Act; and without limiting the foregoing the
14 Board shall adopt and prescribe rules and regulations for a
15 fair and wholly impartial method of determining the
16 qualifications of applicants for examination and for a fair and
17 wholly impartial method of examination of persons under this
18 Act ~~Section 2~~ and may establish rules for subjects conditioned
19 and for the transfer of credits from other jurisdictions with
20 respect to subjects passed. ~~All Department rules in effect on~~
21 ~~the effective date of this amendatory Act of the 92nd General~~
22 ~~Assembly shall continue in effect under the jurisdiction of the~~
23 ~~Board until changed by the Board.~~

24 (Source: P.A. 92-457, eff. 7-1-04.)

25 (225 ILCS 450/28) (from Ch. 111, par. 5534)

26 (Section scheduled to be repealed on January 1, 2014)

27 (Text of Section after amendment by P.A. 92-457)

28 Sec. 28. Penalties. Each of the following acts perpetrated
29 in the State of Illinois is a Class B misdemeanor.

30 (a) The practice of public accounting insofar as it
31 consists in rendering service as described in Section 8,
32 without licensure, in violation of the provisions of this

1 Act;

2 (b) The obtaining or attempting to obtain licensure as
3 a licensed certified public accountant or registration as a
4 registered certified public accountant by fraud;

5 (c) The use of the title "Certified Public Accountant"
6 or the abbreviation "C.P.A." or use of any similar words or
7 letters indicating the user is a certified public
8 accountant, the title "Registered Certified Public
9 Accountant", the abbreviation "R.C.P.A.", any similar
10 words or letters indicating the user is a certified public
11 accountant or a registered certified public accountant by
12 any person in contravention of this Act;

13 (c-5) The use of the title "Certified Public
14 Accountant" or "Licensed Certified Public Accountant" or
15 the abbreviation "C.P.A." or "L.C.P.A." or any similar
16 words or letters indicating the user is a certified public
17 accountant by any person in contravention with this Act;
18 ~~The use of the title "Certified Public Accountant" or the~~
19 ~~abbreviation "C.P.A." or any similar words or letters~~
20 ~~indicating the user is a certified public accountant, by~~
21 ~~any person who has not received a certificate as a~~
22 ~~certified public accountant from the Board;~~

23 (d) The use of the title "Certified Public Accountant"
24 or the abbreviation "C.P.A." or any similar words or
25 letters indicating that the members are certified public
26 accountants, by any partnership, limited liability
27 company, corporation, or other entity unless all members
28 thereof personally engaged in the practice of public
29 accounting in this State ~~have received certificates as~~
30 ~~certified public accountants from the Board,~~ are licensed
31 as licensed certified public accountants by the Department
32 ~~Board,~~ and are holders of an effective unrevoked license,
33 and the partnership, limited liability company,
34 corporation, or other entity is licensed as licensed

1 certified public accountants by the Board with an effective
2 unrevoked license;

3 (e) The use of the title "Licensed Certified Public
4 Accountant", ~~licensed certified public accountant~~,
5 ~~"licensed CPA"~~, ~~"Public Accountant"~~, or the abbreviation
6 "L.C.P.A." ~~"P.A."~~ or any similar words or letters
7 indicating such person is a licensed certified public
8 accountant, by any person not licensed as a licensed
9 certified public accountant by the Department Board, and
10 holding an effective unrevoked license; provided nothing
11 in this Act shall prohibit the use of the title
12 "Accountant" or "Bookkeeper" by any person;

13 (f) The use of the title "Licensed Certified Public
14 Accountants", "Public Accountants" or the abbreviation
15 "P.A.'s" or any similar words or letters indicating that
16 the members are public accountants by any partnership,
17 limited liability company, corporation, or other entity
18 unless all members thereof personally engaged in the
19 practice of public accounting in this State are licensed as
20 licensed certified public accountants by the Department
21 ~~Board~~ and are holders of effective unrevoked licenses, and
22 the partnership is licensed as a public accounting firm by
23 the Department Board with an effective unrevoked licenses;

24 (g) Making false statements to the Department Board
25 regarding compliance with continuing professional
26 education requirements;:-

27 (h) The use of the title "Certified Public Accountant"
28 or the abbreviation "C.P.A." or any similar words or
29 letters indicating that the members are certified public
30 accountants, by any partnership unless all members thereof
31 personally engaged in the practice of public accounting in
32 this State have received certificates as certified public
33 accountants from the Board, are licensed as public
34 accountants by the Department, and are holders of an

1 effective unrevoked license, and the partnership is
2 licensed as public accountants by the Department with an
3 effective unrevoked license.

4 This Section does not prohibit a firm partnership, limited
5 liability company, corporation, or other entity who does not
6 practice public accounting as set forth in Section 8 of this
7 Act and whose members residing in Illinois are registered with
8 the Department from using the title "Certified Public
9 Accountant" or the abbreviation "C.P.A." or "CPA" or similar
10 words or letters indicating that the members are certified
11 public accountants.

12 (Source: P.A. 92-457, eff. 7-1-04.)

13 (225 ILCS 450/30) (from Ch. 111, par. 5535)

14 (Section scheduled to be repealed on January 1, 2014)

15 (Text of Section after amendment by P.A. 92-457)

16 Sec. 30. The practice of public accounting, as described in
17 Section 8 of this Act, by any person in violation of this Act
18 is hereby declared to be inimical to the public welfare and to
19 be a public nuisance. An action to perpetually enjoin from such
20 unlawful practice any person who has been or is engaged therein
21 may be maintained in the name of the people of the State of
22 Illinois by the Attorney General of the State of Illinois, by
23 the State's Attorney of any county in which the action is
24 brought, by the Department Board or by any resident citizen.
25 The injunction proceeding shall be in addition to and not in
26 lieu of any penalties or other remedies provided by this Act.
27 No injunction shall issue under this section against any person
28 for any act exempted under Section 11 of this Act.

29 If any person shall practice as a licensed certified public
30 accountant or a registered certified public accountant or hold
31 himself or herself out as a licensed certified public
32 accountant or registered certified public accountant without
33 being licensed or registered under the provision of this Act

1 then any licensed certified public accountant or registered
2 certified public accountant, any interested party or any person
3 injured thereby may, in addition to the Department Board,
4 petition for relief as provided in subsection (a) of this
5 Section.

6 Whenever in the opinion of the Department Board any person
7 violates any provision of this Act, the Department Board may
8 issue a rule to show cause why an order to cease and desist
9 should not be entered against him. The rule shall clearly set
10 forth the grounds relied upon by the Department Board and shall
11 provide a period of 7 days from the date of the rule to file an
12 answer to the satisfaction of the Department Board. Failure to
13 answer to the satisfaction of the Department Board shall cause
14 an order to cease and desist to be issued forthwith.

15 (Source: P.A. 92-457, eff. 7-1-04.)

16 (225 ILCS 450/30.4 new)

17 (Section scheduled to be repealed on January 1, 2014)

18 Sec. 30.4. Prohibited practice.

19 (a) No licensed public accountant, licensed certified
20 public accountant, or public accounting firm may provide
21 contemporaneously with an audit those non-auditing services
22 referenced in subsection (g) of Section 10A of the federal
23 Securities Exchange Act of 1934, as amended, to a company,
24 excluding a not-for-profit organization, that (1) is not
25 required to file periodic information, documents, and reports
26 pursuant to the Securities Exchange Act of 1934 and (2) during
27 the previous fiscal year, had annual revenues exceeding
28 \$50,000,000 or more than 500 employees.

29 (b) (1) A licensed public accountant, licensed
30 certified public accountant, or public accounting firm is
31 exempted from the prohibition in subsection (a) of this
32 Section 30.4 if:

33 (A) the licensed public accountant, licensed

1 certified public accountant, or public accounting firm
2 presents written notice of the contemporaneous
3 provision of auditing and non-auditing services to the
4 company prior to the commencement of the
5 contemporaneous provision of the services; and

6 (B) the president or chief executive officer of the
7 company to which the contemporaneous auditing and
8 non-auditing services are to be provided subsequently
9 signs an acknowledgement that the company is aware of
10 and agrees to the contemporaneous provision of the
11 auditing and non-auditing services.

12 (2) A licensed public accountant, licensed certified
13 public accountant, or public accounting firm waives the
14 exemption provided for in paragraph (1) of this subsection
15 (b) if the licensed public accountant, certified public
16 accountant, or public accounting firm engages in criminal
17 activity or willful or wanton negligence regarding the
18 provision of contemporaneous auditing and non-auditing
19 services to the company.

20 (c) A violation of this Section shall subject a licensed
21 public accountant, licensed certified public accountant, or
22 public accounting firm to the provisions of Section 20.01 of
23 this Act.

24 (d) Nothing in this Section shall be construed to authorize
25 or permit the provision of any services by a licensed public
26 accountant, licensed certified public accountant, or public
27 accounting firm that would result in a lack of independence
28 under applicable ethics standards of the accounting
29 profession.

30 (225 ILCS 450/30.5 new)

31 (Section scheduled to be repealed on January 1, 2014)

32 Sec. 30.5. Improper influence on the conduct of audits.

33 (a) It shall be unlawful for any officer or director of a

1 company that is not required to file periodic information,
2 documents, and reports pursuant to the federal Securities
3 Exchange Act of 1934, or any other person acting under the
4 direction thereof, to take any action to fraudulently
5 influence, coerce, manipulate, or mislead any licensed public
6 accountant or licensed certified public accountant engaged in
7 the performance of an audit of the financial statements of that
8 company for the purpose of rendering the financial statements
9 being audited materially misleading.

10 (b) A person who, with the intent to deceive, violates this
11 Section is guilty of a Class 4 felony.

12 (225 ILCS 450/30.6 new)

13 (Section scheduled to be repealed on January 1, 2014)

14 Sec. 30.6. Misleading behavior by certified public
15 accountants.

16 (a) It shall be unlawful for any licensed public accountant
17 or licensed certified public accountant to intentionally
18 mislead a company that is not required to file periodic
19 information, documents, and reports pursuant to the federal
20 Securities Exchange Act of 1934 by falsifying records it
21 creates as part of an audit of the company.

22 (b) A person who knowingly violates this Section is guilty
23 of a Class 4 felony.

24 (225 ILCS 450/32) (from Ch. 111, par. 5537)

25 (Section scheduled to be repealed on January 1, 2014)

26 ~~Sec. 32. (a) This subsection (a) applies only until July 1,~~
27 ~~2004.~~ All moneys received by the Department of Professional
28 Regulation under this Act shall be deposited into the
29 Registered Certified Public Accountants' Administration and
30 Disciplinary Fund, which is hereby created as a special fund in
31 the State Treasury. The funds in the account shall be used by
32 the Department ~~or the Board~~, as appropriated, exclusively for

1 expenses of the Department of Professional Regulation, or the
2 Public Accountants' Registration Committee, ~~or the Board~~ in the
3 administration of this Act.

4 Moneys in the Registered Certified Public Accountants'
5 Administration and Disciplinary Fund may be invested and
6 reinvested, with all earnings received from the investments to
7 be deposited into the Registered Certified Public Accountants'
8 Administration and Disciplinary Fund.

9 Moneys from the Fund may also be used for direct and
10 allocable indirect costs related to the public purposes of the
11 Department of Professional Regulation ~~or the Board~~. Moneys in
12 the Fund may be transferred to the Professions Indirect Cost
13 Fund as authorized by Section 2105-300 of the Department of
14 Professional Regulation Law (20 ILCS 2105/2105-300).

15 ~~(b) This subsection (b) applies beginning July 1, 2004.~~

16 ~~All moneys received by the Board under this Act shall be~~
17 ~~deposited into the Registered Certified Public Accountants'~~
18 ~~Administration and Disciplinary Fund, a special fund in the~~
19 ~~State treasury. The moneys in the Fund shall be used by the~~
20 ~~Board, as appropriated, exclusively for expenses of the~~
21 ~~Department of Professional Regulation and the Board in the~~
22 ~~administration of this Act.~~

23 ~~Moneys in the Registered Certified Public Accountants'~~
24 ~~Administration and Disciplinary Fund may be invested and~~
25 ~~reinvested, with all earnings received from the investments to~~
26 ~~be deposited into the Registered Certified Public Accountants'~~
27 ~~Administration and Disciplinary Fund.~~

28 (Source: P.A. 91-239, eff. 1-1-00; 92-457, eff. 8-21-01.)

29 Section 99. Effective date. This Act takes effect July 1,
30 2004, except the provisions changing Section 1 of the Illinois
31 Public Accounting Act take effect on October 1, 2006."